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Fiscal Leadership for Georgia

Financial System Upgrade

Budgeting and Commitment Control

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Budgeting and Commitment Control
Agenda

- Review of Basic Concepts for this Session
- Budget Process
  - Tree Overviews
  - Originating in PeopleSoft
  - Originating in BudgetNet
- PeopleSoft 8.8 Data Flow Example

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Review of Basic Concepts for this Session

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Budgeting and Commitment Control

Change Drivers

- Creation of Program Budgeting
- Governor's directive of 'Best Managed State'
  - Findings from the Commission for a New Georgia
  - Enable PeopleSoft to be the system-of-record
  - Streamline the banking processes
  - Gain efficiencies in business processes
- Commitment Control

The role of the State Accounting Office is to facilitate this change

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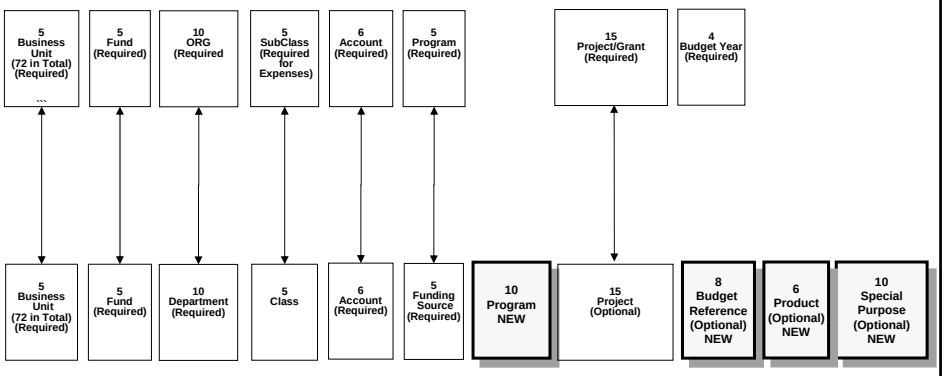
Budgeting and Commitment Control
Chart of Accounts Structure

7.02 Chartfields



8.8 Chartfields

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Budgeting and Commitment Control
Commitment Control

Definition of Commitment Control

In PeopleSoft 8.8, Commitment Control is PeopleSoft's new term for the Budget Checking Module.

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Budgeting and Commitment Control
Commitment Control

Purpose of Commitment Control

- Agency
  - Manage operational needs
- OPB
  - Control budget by Object Class, Program, and Fund Source
- Statewide
  - Provides tools to manage and budget by Program
  - Statewide reporting by Program
  - Expenditures checked against approved budgets

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Budget Process

Budgeting and Commitment Control

Tree Chart

Tree	Owner	Maintains	Definitions	Changes in 8.8
Account	SAO	SAO	Statewide	Yes
Fund	SAO	SAO	Statewide	Yes
Department	Agency	Agency/SAO	Agency	No
Program	OPB	SAO/OPB	Statewide	New
Project	Agency	Agency/SAO	Agency	No
Fund Source	Agency	Agency/SAO	Agency	Yes

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Budgeting and Commitment Control

Fund Trees

- KK_Fund2006
  - For budget year 2006 and prior transactions
- KK_Fund
  - For budget year 2007 and greater transactions
- Fund reporting Tree
  - For reporting only, not utilized by KK

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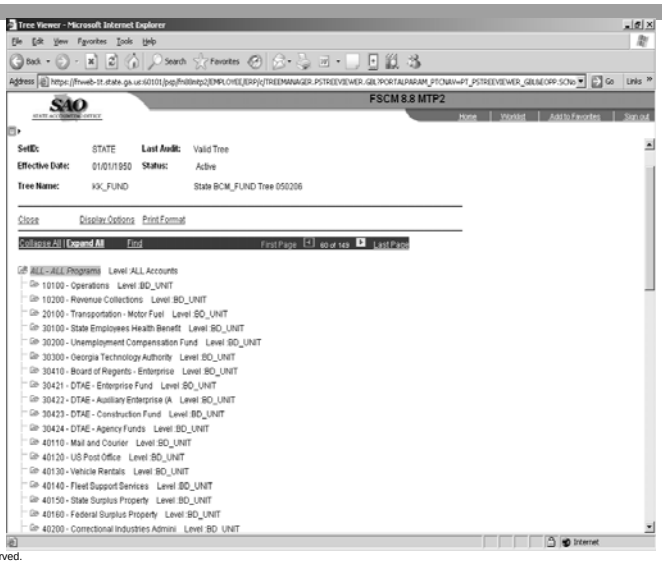
Budgeting and Commitment Control

KK_Fund



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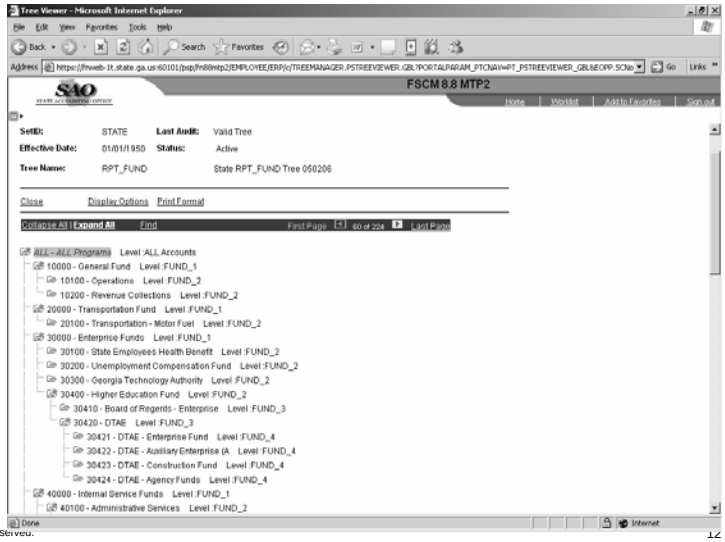
Budgeting and Commitment Control

Fund Reporting Tree



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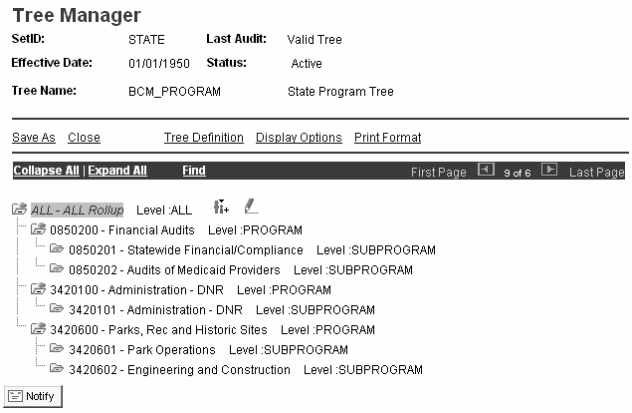
Budgeting and Commitment Control

Program



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Budgeting and Commitment Control

New Funding Source Levels

- FS_CAT
  - Used to load the Allotment ledger.
- FS_TYPE
  - Same level as the appropriations bill. Used to populate the program ledger.

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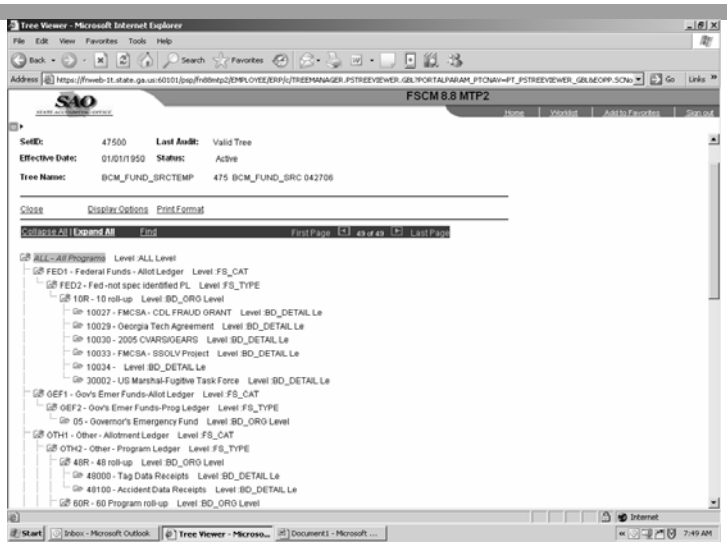
Budgeting and Commitment Control

Fund Source



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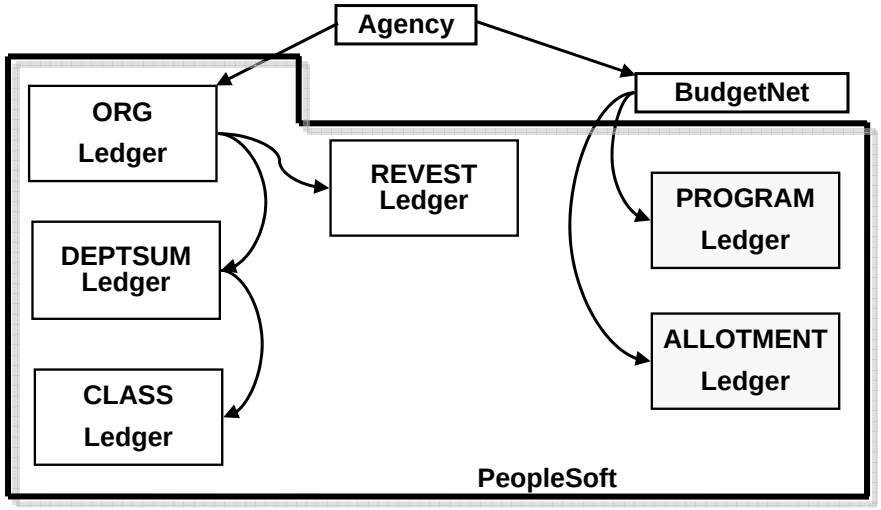
Budgeting and Commitment Control
Budget Process



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Budget Process

Originating in PeopleSoft

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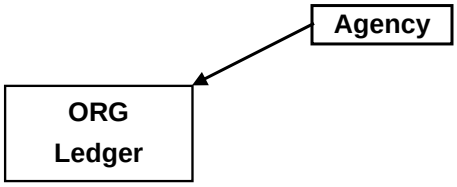
Budgeting and Commitment Control
Budget Process



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Budgeting and Commitment Control
Budget Process

ORG Ledger

Purpose		
Tracks expenses against budget at the department (ORG) level		
How it Works		
Chartfield	**How Populated**	**Budgetary Control**
❑ Account ❑ Fund Code ❑ Department ❑ Program ❑ Class ❑ Project ❑ Funding Source	❑ Budget Load (BUDJRNLX Process) ❑ Encumbrance, Expense Transactions	❑ Track with budget

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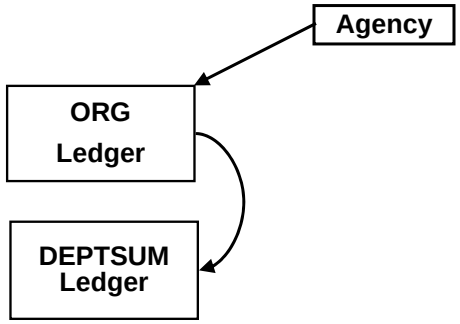
Budgeting and Commitment Control
Budget Process



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Budgeting and Commitment Control
Budget Process

DEPTSUM Ledger

Purpose		
Tracks or Controls expenses against budget at the department summary level by Class		
How it Works		
Chartfield	**How Populated**	**Budgetary Control**
❑ Fund Code ❑ Department ❑ Program ❑ Class	❑ Budget Load (BUDJRNLX Process) –Similar to APPROP Ledger in 7.02 ❑ Encumbrance, Expense Transactions	❑ Track or control at Agency/Business Unit discretion

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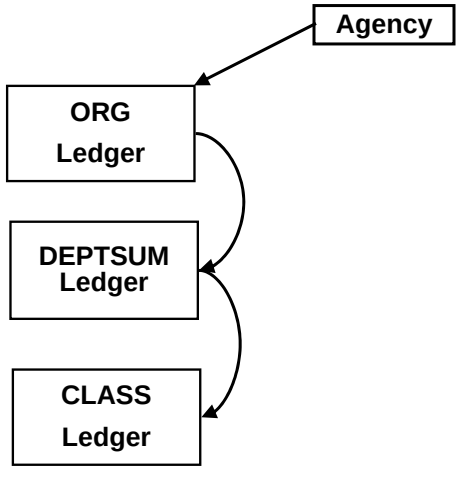
Budgeting and Commitment Control
Budget Process



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Budgeting and Commitment Control
Budget Process

CLASS Ledger

Purpose		
Tracks or Controls expenses against budget at the Program level by Class		
How it Works		
Chartfield	**How Populated**	**Budgetary Control**
❑ Fund ❑ Program ❑ Class	❑ Budget Load (BUDJRNLX Process) ❑ Encumbrance, Expense Transactions	❑ Track or control at Agency/Business Unit discretion

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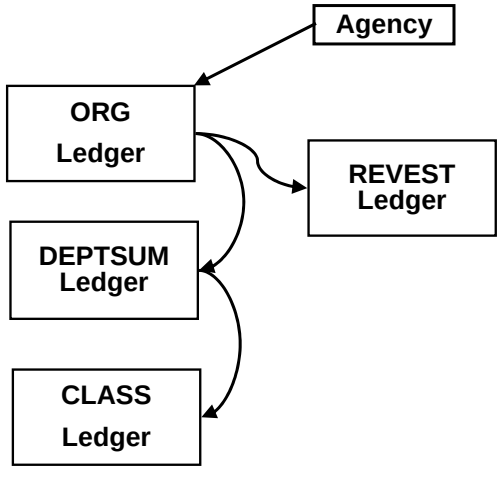
Budgeting and Commitment Control
Budget Process



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Budgeting and Commitment Control
Budget Process

REVEST Ledger

Purpose		
Tracks revenue against budget at the department level		
How it Works		
Chartfield	**How Populated**	**Budgetary Control**
❑ Account ❑ Fund ❑ Department ❑ Program ❑ Project ❑ Funding Source	❑ Budget Load (BUDJRNLX Process) ❑ Budget Check Revenue Transactions	❑ Track with Budget

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Budgeting and Commitment Control
Budget Process

REVEST Ledger

- ❑ Populated by BUDJRNLX for all revenue associated with your department budget.
- ❑ Revenue not in your budget, such as revenue collections, will need zero dollar rows added
- ❑ New revenue sources associated with budget amendments will be added when the expense lines go through BUDJRNLX

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REVEST Ledger

- Why the focus on revenue?
  - Under program budgeting, state funds are fixed and FED & Other are variable.
  - Estimates can only be spent if collected
  - REVEST identifies what has been collected in order to know what's available to spend
  - Today availability is determined at the BU level but in FY 07 forward, availability will be determined at the Program level

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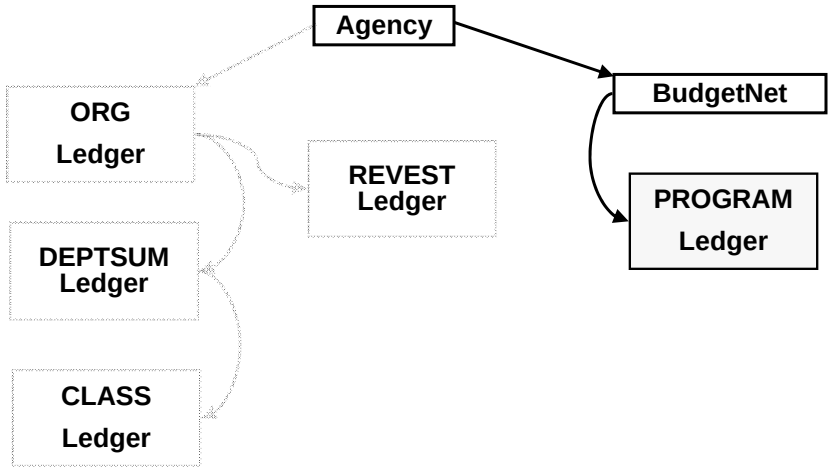
Budget Process

Originating in BudgetNet

Budgeting and Commitment Control
Budget Process



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Budgeting and Commitment Control
Budget Process

PROGRAM Ledger

Purpose

Tracks expenses against Program/Funding Source as identified in the Appropriations Act

- Compliance with Program budgeting
- New Program Chartfield and Program ledger eliminate need for agencies to account for Program data in other Chartfields
- PeopleSoft reporting now possible at Program level
- OPB approved AOBs and amendments are in PeopleSoft

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Budgeting and Commitment Control
Budget Process

PROGRAM Ledger

How it Works		
Chartfield	**How Populated**	**Budgetary Control**
❑ Program ❑ Funding Source	❑ BudgetNet ❑ Encumbrance, Expense Transactions	❑ Track

Uses the FS_TYPE level of the Funding Source Tree

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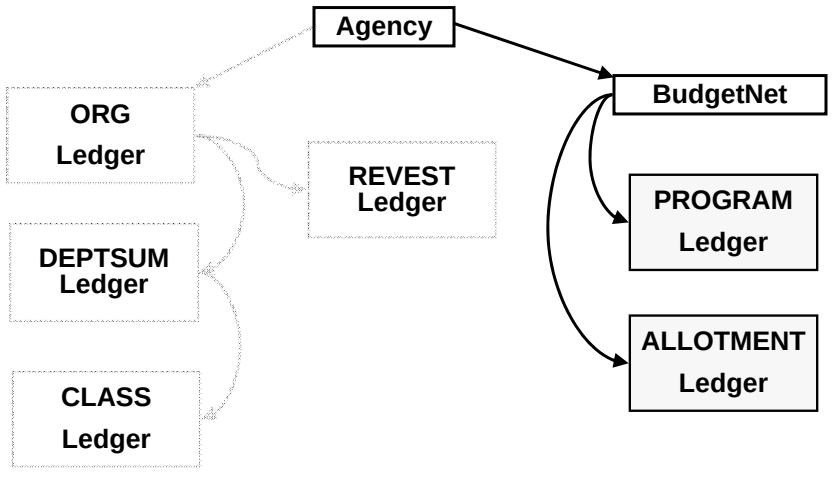
Budgeting and Commitment Control
Budget Process



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Budgeting and Commitment Control
Allotment Process

ALLOTMENT Ledger

Purpose
Tracks expenses against Program/Funding Source as requested through the Allotment process in BudgetNet Allotment is the allocation of a portion of budget spending authority

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Budgeting and Commitment Control
Allotment Process

ALLOTMENT Ledger

How it Works		
Chartfield	**How Populated**	**Budgetary Control**
❑ Program ❑ Fund Source	❑ BudgetNet ❑ Encumbrance, Expense Transactions	❑ Track Federal and Other Funds ❑ Track State Funds Day 1 ❑ Control State Funds as Agencies roll onto Streamlined Banking

Uses the FS_CAT level of the funding source tree

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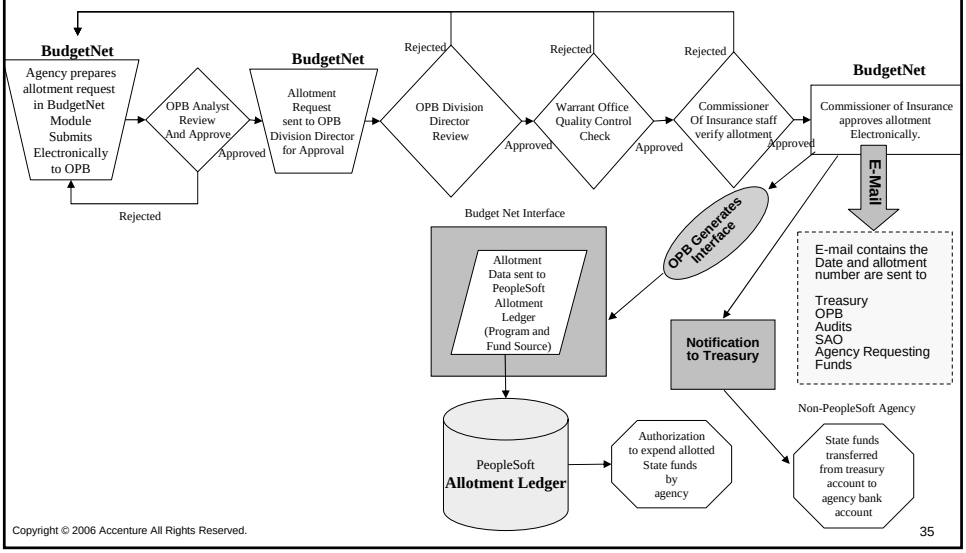
Budgeting and Commitment Control
Allotment Process



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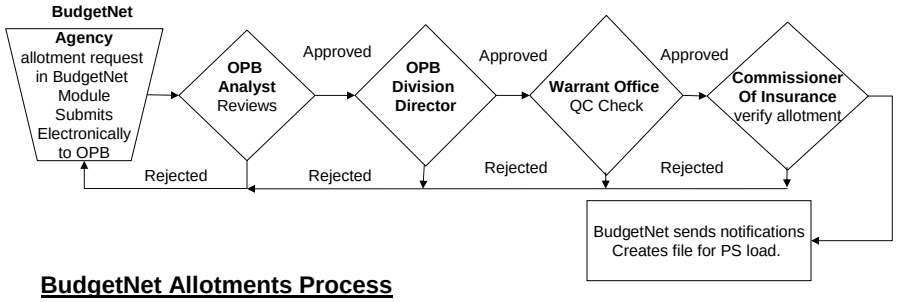
Budgeting and Commitment Control
Allotment Process

OPB Allotment Approval Process



BudgetNet Allotments Process

- The entire allotment process is electronic
- E-mail notifications of work flow
- Data loaded automatically into PeopleSoft

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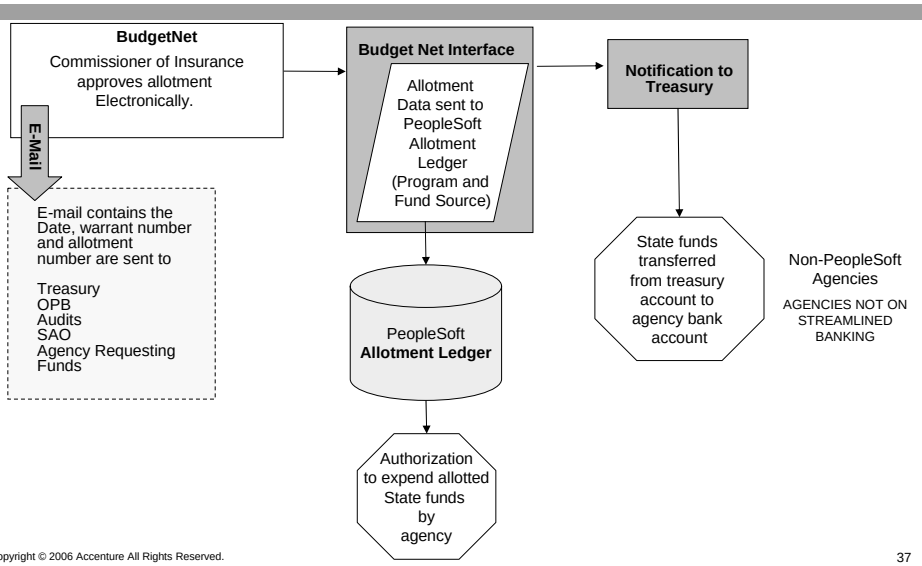
Budgeting and Commitment Control
Allotment Process



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Budgeting and Commitment Control
Allotment Process

Allotment Processes in BudgetNet

- Agencies will request allotments by Program and Fund Source
- Agencies will see historical data
- Able to track status of allotment requests
- Request against current/latest AOB
- Training forthcoming by OPB

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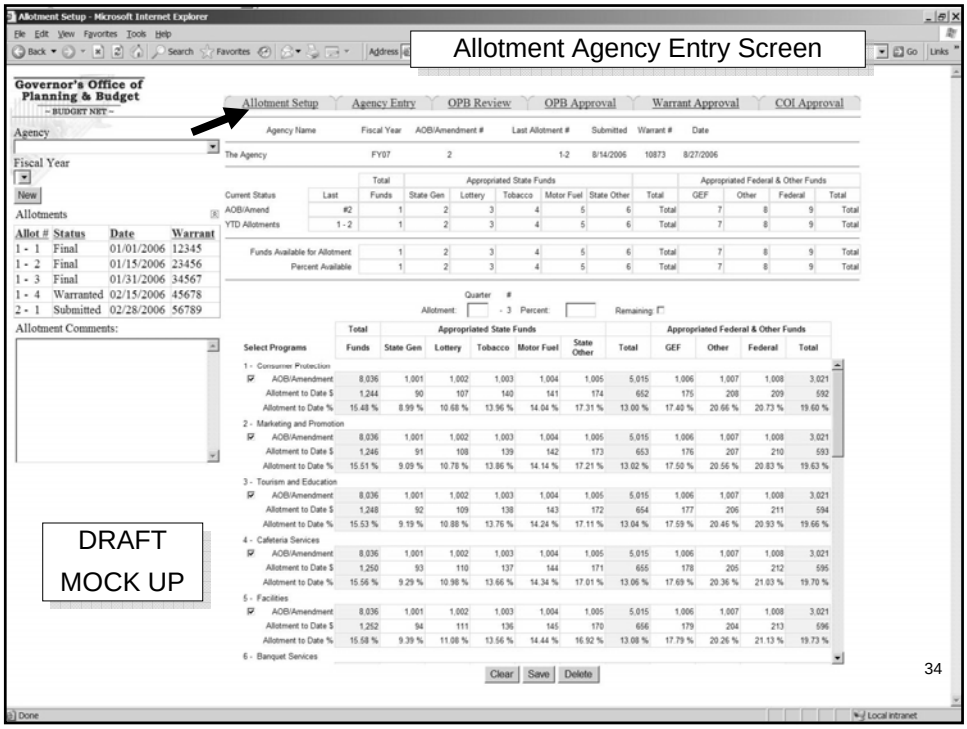
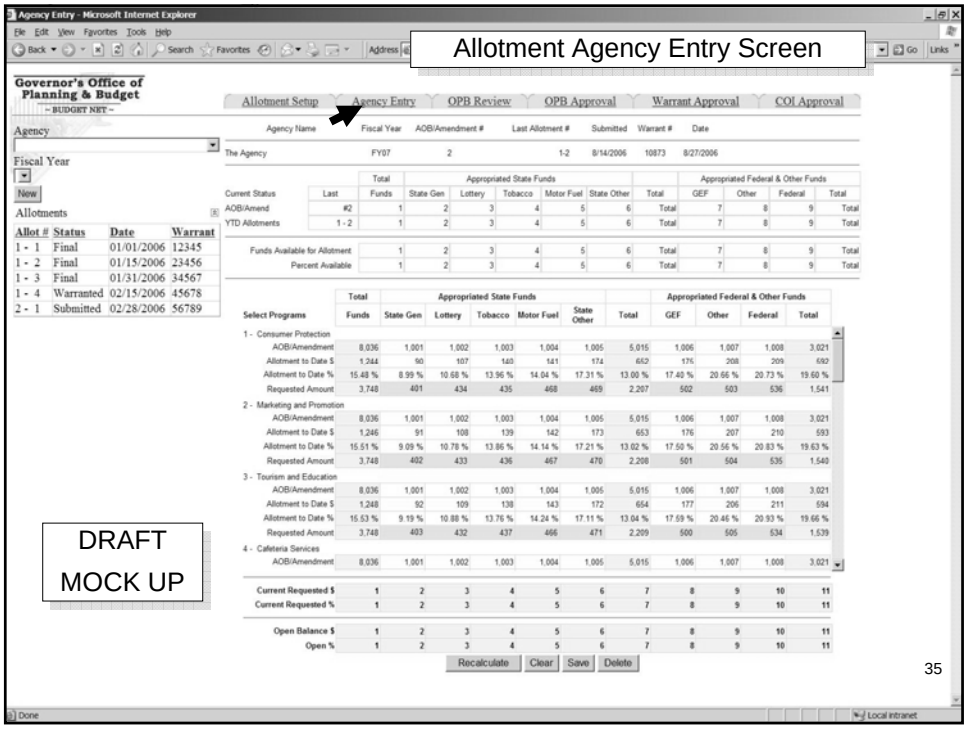

Allotment Setup - Microsoft Internet Explorer
Allotment Agency Entry Screen
Governor's Office of Planning & Budget
– BUDGET NET –
Allotment Setup
Agency Entry
OPB Review
OPB Approval
Warrant Approval
COI Approval
Agency
Fiscal Year
New
Allotments
Allot # Status Date Warrant
1 - 1 Final 01/01/2006 12345
1 - 2 Final 01/15/2006 23456
1 - 3 Final 01/31/2006 34567
1 - 4 Warranted 02/15/2006 45678
2 - 1 Submitted 02/28/2006 56789
Allotment Comments:
DRAFT
MOCK UP
Clear
Save
Delete
Done
Local intranet

34


Agency Entry - Microsoft Internet Explorer
Allotment Agency Entry Screen
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– BUDGET NET –
Allotment Setup
Agency Entry
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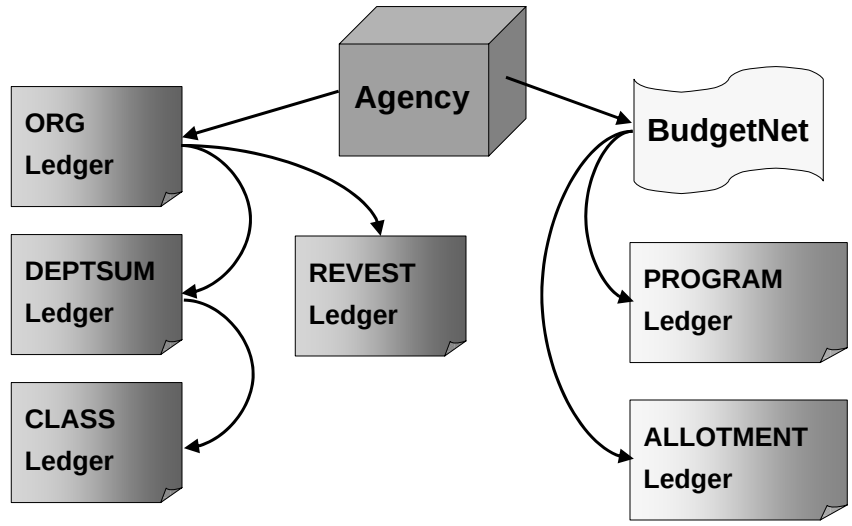
Agency
Fiscal Year
New
Allotments
Allot # Status Date Warrant
1 - 1 Final 01/01/2006 12345
1 - 2 Final 01/15/2006 23456
1 - 3 Final 01/31/2006 34567
1 - 4 Warranted 02/15/2006 45678
2 - 1 Submitted 02/28/2006 56789
DRAFT
MOCK UP
Recalculate
Clear
Save
Delete
Done
Local intranet

35

Budgeting and Commitment Control
Budget Process



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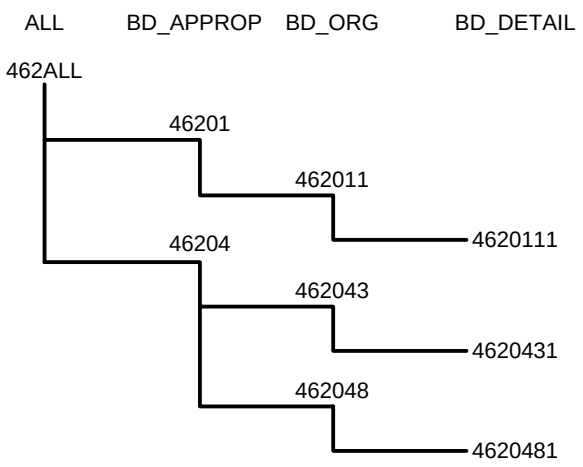
PeopleSoft 8.8
Data Flow Example

Budgeting and Commitment Control
Transaction Example

BCM_ORG Tree



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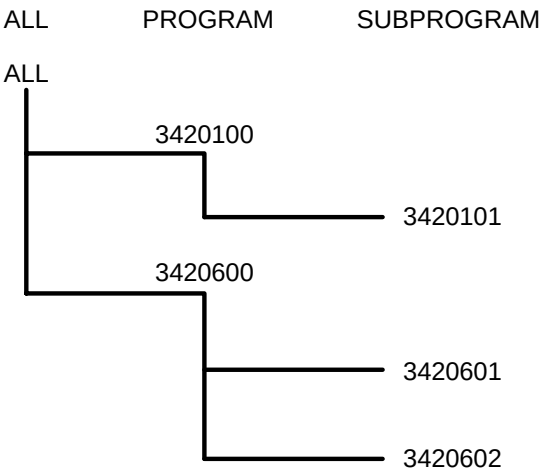
Budgeting and Commitment Control
Transaction Example

BCM_PROGRAM Tree



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Budgeting and Commitment Control
Transaction Example

Sample Budget Load

- In this example, this agency has chosen to set their DEPTSUM Ledger to control, and their CLASS Ledger to track.

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Budgeting and Commitment Control
Sample Budget Load

Ledger	Account	Fund	Dept	Fund Src	Program	Class	Project	Budget Amount
STAGE Ledger	614000	A	462011	ALL	3420601	301	01	60.00
	615000	A	462043	ALL	3420601	301	01	20.00
	663000	A	462043	ALL	3420601	305	01	100.00
	612000	A	462048	ALL	3420602	301	01	30.00
								210.00
	000001	A	462011	01000	3420601		01	60.00
	000001	A	462043	01000	3420601		01	80.00
	000001	A	462043	60000	3420601		01	40.00
	000001	A	462048	01000	3420602		01	20.00
	000001	A	462048	60000	3420602		01	10.00
								210.00

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Budgeting and Commitment Control
Sample Budget Load

BUDJRNLX Process

Ledger	Account	Fund	Dept	Fund Src	Program	Class	Project	Budget Amount
REVEST Ledger	000001	A	462011	01000	3420601		01	60.00
	000001	A	462043	01000	3420601		01	80.00
(Track)	000001	A	462043	60000	3420601		01	40.00
	000001	A	462048	01000	3420602		01	20.00
	000001	A	462048	60000	3420602		01	10.00
								210.00

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Budgeting and Commitment Control
Sample Budget Load

BUDJRNLX Process

Ledger	Account	Fund	Dept	Fund Src	Program	Class	Project	Budget Amount
ORG Ledger	614000	A	462011	ALL	3420601	301	01	60.00
	615000	A	462043	ALL	3420601	301	01	20.00
(Track)	663000	A	462043	ALL	3420601	305	01	100.00
	612000	A	462048	ALL	3420602	301	01	30.00
								210.00
DEPTSUM Ledger		A	46201		3420600	301		60.00
		A	46204		3420600	301		50.00
(Control)		A	46204		3420600	305		100.00
								210.00
CLASS Ledger		A			3420600	301		110.00
		A			3420600	305		100.00
(Track)								210.00

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Budgeting and Commitment Control

BudgetNet Upload for Appropriation

Ledger	Account	Fund	Dept	Fund Src	Program	Class	Project	Budget Amount
PROGRAM Ledger				STATE	3420600			160.00
				OTHER	3420600			50.00
(Track)								210.00

1st Qtr Allotment Upload from BudgetNet

Ledger	Account	Fund	Dept	Fund Src	Program	Class	Project	Budget Amount
ALLOT Ledger				STATE	3420600			40.00
				OTHER	3420600			13.00
								53.00

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Budgeting and Commitment Control
Transaction Example 1

In this example, the Agency

- Is **NOT** utilizing Streamlined Banking
- This transaction passes all ledgers

Account	Fund	Dept	Fund Src	Program	Class	Project	Amount
615001	**A1**	**4620431**	**01000**	**3420601**	**301**	**01**	**25.00**

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Budgeting and Commitment Control
Transaction Example 1

Account	Fund	Dept	Fund Src	Program	Class	Project	Amount
615001	A1	4620431	01000	3420601	301	01	25.00

Ledger	Account	Fund	Dept	Fund Src	Program	Class	Project	Budget Amount
REVEST Ledger	000001	A	462011	01000	3420601		01	60.00
(Track)	000001	A	462043	01000	3420601		01	80.00
	000001	A	462043	60000	3420601		01	40.00
	000001	A	462048	01000	3420602		01	20.00
	000001	A	462048	60000	3420602		01	10.00
								210.00

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Budgeting and Commitment Control
Transaction Example 1

Account	Fund	Dept	Fund Src	Program	Class	Project	Amount
615001	A1	4620431	01000	3420601	301	01	25.00

	Ledger	Account	Fund	Dept	Fund Src	Program	Class	Project	Budget Amount
Pass with Budget Warning	**ORG Ledger**	614000	A	462011	ALL	3420601	301	01	60.00
		615000	A	462043	ALL	3420601	301	01	20.00
	(Track)	663000	A	462043	ALL	3420601	305	01	100.00
		612000	A	462048	ALL	3420602	301	01	30.00
									210.00
Pass	**DEPTSUM Ledger**		A	46201		3420600	301		60.00
			A	46204		3420600	301		50.00
	(Control)		A	46204		3420600	305		100.00
									210.00
Pass	**CLASS Ledger**		A			3420600	301		110.00
			A			3420600	305		100.00
	(Track)								210.00

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Budgeting and Commitment Control
Transaction Example 1

Account	Fund	Dept	Fund Src	Program	Class	Project	Amount
615001	A1	4620431	01000	3420601	301	01	25.00

Pass

Ledger	Account	Fund	Dept	Fund Src	Program	Class	Project	Budget Amount
PROGRAM Ledger				STATE	3420600			160.00
				OTHER	3420600			50.00
(Track)								210.00

Pass

Ledger	Account	Fund	Dept	Fund Src	Program	Class	Project	Budget Amount
ALLOT Ledger				STATE	3420600			40.00
				OTHER	3420600			13.00
(Track)								53.00

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Budgeting and Commitment Control
Transaction Example 2

In this example, the Agency

- Is **NOT** utilizing Streamlined Banking
- This transaction will create a budget exception

Account	Fund	Dept	Fund Src	Program	Class	Project	Amount
615001	**A1**	**4620431**	**01000**	**3420601**	**301**	**01**	**52.00**

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Budgeting and Commitment Control
Transaction Example 2

Account	Fund	Dept	Fund Src	Program	Class	Project	Amount
615001	A1	4620431	01000	3420601	301	01	52.00

Ledger	Account	Fund	Dept	Fund Src	Program	Class	Project	Budget Amount
REVEST Ledger	000001	A	462011	01000	3420601		01	60.00
(Track)	000001	A	462043	01000	3420601		01	80.00
	000001	A	462043	60000	3420601		01	40.00
	000001	A	462048	01000	3420602		01	20.00
	000001	A	462048	60000	3420602		01	10.00
								210.00

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Budgeting and Commitment Control
Transaction Example 2

Account	Fund	Dept	Fund Src	Program	Class	Project	Amount
615001	A1	4620431	01000	3420601	301	01	52.00

	Ledger	Account	Fund	Dept	Fund Src	Program	Class	Project	Budget Amount
Pass with Budget Warning	**ORG Ledger**	614000	A	462011	ALL	3420601	301	01	60.00
		615000	A	462043	ALL	3420601	301	01	20.00
	(Track)	663000	A	462043	ALL	3420601	305	01	100.00
		612000	A	462048	ALL	3420602	301	01	30.00
									210.00
Budget Exception	**DEPTSUM Ledger**		A	46201		3420600	301		60.00
			A	46204		3420600	301		50.00
	(Control)		A	46204		3420600	305		100.00
									210.00
Pass	**CLASS Ledger**		A			3420600	301		110.00
			A			3420600	305		100.00
	(Track)								210.00

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Budgeting and Commitment Control
Transaction Example 2

Account	Fund	Dept	Fund Src	Program	Class	Project	Amount
615001	A1	4620431	01000	3420601	301	01	52.00

Pass

Ledger	Account	Fund	Dept	Fund Src	Program	Class	Project	Budget Amount
PROGRAM Ledger				STATE	3420600			160.00
				OTHER	3420600			50.00
(Track)								210.00

Budget Warning

Ledger	Account	Fund	Dept	Fund Src	Program	Class	Project	Budget Amount
ALLOT Ledger				STATE	3420600			40.00
				OTHER	3420600			13.00
(Track)								53.00

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Budgeting and Commitment Control
Transaction Example 3

In this example, the Agency

- **IS** utilizing Streamlined Banking
- This transaction will create two budget exceptions

Account	Fund	Dept	Fund Src	Program	Class	Project	Amount
615001	**A1**	**4620431**	**01000**	**3420601**	**301**	**01**	**52.00**

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Budgeting and Commitment Control
Transaction Example 3

Account	Fund	Dept	Fund Src	Program	Class	Project	Amount
615001	A1	4620431	01000	3420601	301	01	52.00

Ledger	Account	Fund	Dept	Fund Src	Program	Class	Project	Budget Amount
REVEST Ledger	000001	A	462011	01000	3420601		01	60.00
(Track)	000001	A	462043	01000	3420601		01	80.00
	000001	A	462043	60000	3420601		01	40.00
	000001	A	462048	01000	3420602		01	20.00
	000001	A	462048	60000	3420602		01	10.00
								210.00

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Budgeting and Commitment Control
Transaction Example 3

Account	Fund	Dept	Fund Src	Program	Class	Project	Amount
615001	A1	4620431	01000	3420601	301	01	52.00

	Ledger	Account	Fund	Dept	Fund Src	Program	Class	Project	Budget Amount
Pass with Budget Warning	**ORG Ledger**	614000	A	462011	ALL	3420601	301	01	60.00
		615000	A	462043	ALL	3420601	301	01	20.00
	(Track)	663000	A	462043	ALL	3420601	305	01	100.00
		612000	A	462048	ALL	3420602	301	01	30.00
									210.00
Budget Exception	**DEPTSUM Ledger**		A	46201		3420600	301		60.00
			A	46204		3420600	301		50.00
	(Control)		A	46204		3420600	305		100.00
									210.00
Pass	**CLASS Ledger**		A			3420600	301		110.00
			A			3420600	305		100.00
	(Track)								210.00

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Budgeting and Commitment Control
Transaction Example 3

Account	Fund	Dept	Fund Src	Program	Class	Project	Amount
615001	A1	4620431	01000	3420601	301	01	52.00

Pass

Ledger	Account	Fund	Dept	Fund Src	Program	Class	Project	Budget Amount
PROGRAM Ledger				State	3420600			160.00
				OTHER	3420600			50.00
(Track)								210.00

Budget Exception

Ledger	Account	Fund	Dept	Fund Src	Program	Class	Project	Budget Amount
ALLOT Ledger				State	3420600			40.00
				OTHER	3420600			13.00
(Control State)								53.00

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Budgeting and Commitment Control

Questions and Answers

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